This Issue of the A. F. of L. Weekly News Service Consists of 2 Pages

The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor occurring in the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR
WEEKLY NEWS SERVICE

Entered as second-class matter September 28, 1913, at the Post Office at Washington, D. C., under the Act of August 24, 1912. Acceptance for mailing at special rate of postage provided for in Sec. 1103, Act of October 3, 1917, authorized July 11, 1918.

What rights are his that dare not strike for them?—Tennyson.

WHOLE NO. 1471 | WILLIAM GREEN, President | WASHINGTON, D. C., SATURDAY, JUNE 24, 1939. | FRANK MORRISON, Secretary-Treasurer | VOL. 29, NO. 25

FACING *the* FACTS
With PHILIP PEARL

A straight diet of facts may become a little too heavy for summer reading so today we are adding a special salad dressing of fantasy. And to escape the heat we're taking a little trip into the year, 1960, where the school children of the next generation are getting a history lesson. The teacher speaks:

"And now, dear children, I want to tell you a little story about the Jabberwock. The Jabberwock was a kind of dragon back in the 1930's. No one ever actually saw him breathe fire but he sounded like that.

"Once upon a time the Jabberwock was an ordinary man, but a strange transformation came over him in the year 1935. No one really knows how it happened but there is a legend about it. The story goes that he was reading Alice in Wonderland—he was a great reader—and greatly admired Alice's exploit in stepping through the looking glass. Now this man wanted to do the same thing but he was too fat around the middle to climb up on the chimney-piece as Alice did, so he just stared into the mirror and wondered what to do.

"The more he stared into the mirror the more fascinated he became. He discovered his face was really something to behold. It was a broad face, with deep-set eyes under bushy brows and it was topped by a heavy mane of hair. He tried making funny faces in the mirror but he didn't like them. Then he tried to scowl. That pleased him much better. And he scowled and he scowled and he scowled, looking fiercer and fiercer all the time. And the next thing he knew—that is if he really knew it—he scowled his way right through the looking glass.

New Adventures in Wonderland

"What did he find on the other side? Well, dear children, in the first place he found he was the Jabberwock. The scowl was fixed permanently on his face. He couldn't get it off if he tried. And even more bewildering was the fact that everything looked upside-down and topsy-turvy to him.

"Don't laugh, children. It wasn't funny. It was very serious. Seeing things upside down always is serious. Let me explain what it meant to the Jabberwock and his followers.

"Before he stepped through the looking glass in 1935, the Jabberwock was an influential leader in the American Federation of Labor. Afterward he formed a new organization called the C. I. O. and tried to destroy the American Federation of Labor.

"Before 1935, the Jabberwock was a Republican, politically. He was what is known as a black Republican, a die-hard. But in 1936, after stepping through the looking glass, the Jabberwock contributed a half million dollars to the Democratic Party.

"Before 1935, the Jabberwock was one of the outstanding opponents of Communism in organized labor. He hated them and fought them. After 1935, he grew to like the Communists and hired many of them as assistants and the Communist Party came to love him and hail him as a leader.

"Before 1935, the Jabberwock told a Senate Investigating Committee the Communists were plotting to capture the American labor movement and he warned that their method would be to force the adoption of industrial unionism. After 1935, the Jabberwock himself preached the gospel of industrial unionism.

More Adventures

"Before 1935, the Jabberwock was a great admirer of the President of the American Federation of Labor. He always used to make the nominating speech himself at each convention. He called President Green a 'great American,' a 'great leader of labor,' a 'defender of human rights' and a 'champion of democracy.' After 1935, the poor topsy-turvy Jabberwock called the President of the American Federation of Labor a 'traitor.'

"In fact, dear children, the Jabberwock soon got into the habit of calling everyone who didn't agree with him a traitor. And, strangely enough, the people he had expelled from his organization before 1935 as traitors he recalled after 1935 to serve as his chief aides.

"As time went on, the Jabberwock began to miss his looking glass more and more until he discovered a new kind of mirror for his vanity. It was the newspapers. The Jabberwock found he could get just as much of a kick out of seeing his name in the papers. And he learned that the easiest way to get his name into the newspapers was to burble. That is the word used in Wonderland for denouncing someone. So the Jabberwock began burbling louder and louder. In fact, during two days in the month of June, 1939, he set a world's record for burbling. In that short time he managed to denounce Congress, business, the Administration, the Labor Department and the American Federation of Labor. It was all very amusing."

At this point the luncheon bell rang signalling the end of the lesson. But one not so very bright pupil had a question.

"What," he asked the teacher, "was the real name of the Jabberwock?"

"For not knowing the answer to that question yourself," replied the teacher, "you will go straight to the bottom of the class."

(Released by the American Federation of Labor Weekly News Service)

A. F. of L. Hits Employer Merit Rating Plan in Unemployment Compensation

Senate Committee Told the Scheme Enables Employers to Deny Benefits to Jobless Workers; Pooled Fund Favored.

By A. F. of L. Weekly News Service.

Washington, D. C.—The employer merit rating system in laws establishing unemployment compensation funds was denounced as essentially unjust to jobless working men and women by William Green, president of the American Federation of Labor, in a letter sent to Senator Pat Harrison, chairman of the Senate Finance Committee, which is considering the amendments to the unemployment compensation provisions of the Social Security Act adopted by the House of Representatives. As a substitute for the merit rating system Mr. Green declared the Federation favored the pooled fund.

"The vicious system of so-called 'employer merit rating' makes the employer directly interested in having benefits denied workers whenever possible," Mr. Green said.

"The result has been a drive in many States for a more severe and injurious catalog of 'disqualifications,' denying benefits for unreasonably long periods or permanently, under an increasing number of pretexts.

"Now, while benefits are still far too low and while experience with the system is limited, we are facing proposals for State merit rating, which would allow some States to reduce their tax rates and would put such competitive pressure on all States to follow suit that benefits would be permanently frozen at low levels.

"The only sound basis on which employment risks can be met is to have the risks spread by the use of a pooled fund into which taxes are paid by industries of heavy and light unemployment burdens alike. To permit individual 'merit rating' systems to deplete those pooled funds is to victimize the workers for whose benefit the system was designed. So long as individual States retain that anomaly of merit rating in the system of pooled risks, therefore, the Federation believes the federal government should require the States to maintain an average 2.7 per cent rate for certification of their laws."

C. I. O. Seamen's Union Leaders Axed By Red Officials

By A. F. of L. Weekly News Service.

The Communist faction in the Atlantic Coast C. I. O. Seamen's Union is trying to purge the union from all officials who are non-believers, i. e., who do not recognize the "Party" as supreme. The secretary-treasurer, Jerome King, has been expelled for ninety-nine years and other prominent officials are slated for the axe. Among the latter is Ralph Emerson, the union's legislative representative in the Nation's Capital.

Mr. Emerson was suspended and directed to appear for trial in New York. This he declined to do but instead induced Congressman O'Brien of New York to insert in the Congressional Record an "open letter" to the membership of the C. I. O. Seamen's Union.

The Emerson letter refers in bitter language to the "mass purge of non-Communist officials" and concludes with the following gentle admonition to the Roosevelt administration and the C. I. O.:

"I have always been and will continue to be an ardent believer in the Roosevelt administration and the C. I. O., but the time has now come when the administration and the C. I. O. will have to curb the 'screwballs' who attempt to hang on to the outer fringe of the New Deal with the one hand, whilst with the other hand they try to tear down every constructive attempt to better the conditions of the working-class people in order to further their own political aims."

GREEN DEMANDS WORK FOR JOBLESS

A. F. of L. President Says Government Spending for Relief Must Continue Until Private Industry Provides Jobs for Unemployed Millions.

By A. F. of L. Weekly News Service.

Boston, Mass.—There must be no diminution in Government spending to provide temporary employment for the jobless until those who own and control industry provide jobs for the many millions of unemployed working men and women.

This was the message that President William Green of the American Federation of Labor delivered to the International Kiwanis Convention here in an address outlining "Labor's Principles and Policies."

"Our nation is grappling with serious social and economic problems," Mr. Green said. "Outstanding among them is the problem of unemployment.

"For more than ten years the people in every community have suffered from the existence of this unsound economic condition. During each and every year during this ten year period the number of unemployed has fluctuated from 1,864,000 in 1929 to 15,100,000 in 1933 and 10,900,000 at the present time.

"We cannot be happy or prosperous so long as millions of workers are idle, seeking work and, together with those dependent upon them, suffering great distress and privation.

"The average person becomes confused when he considers but briefly the varied remedies proposed for the alleviation of widespread distress and the solution of our unemployment problem. Remedies which seem adequate and promising, when applied in a scientific way, have failed. Government spending of large sums of money appropriated by our law-making bodies have supplied but temporary relief.

"In the light of all our experience we are forced to the inevitable conclusion that the real solution for unemployment is the re-absorption of idle workers into private industry. When that is made possible each employed worker is accorded the opportunity to work and serve in private industry and thus becomes a consumer of goods produced. Purchasing power will be enlarged so as to create an almost new market for the sale of manufactured goods and service.

"We cannot afford to experiment. The situation is altogether too serious. We ought to deal with the problem in a realistic way and as facts require. When we consider both the cause and effect of unemployment we instinctively ask, What can be done and what should we do. Who can answer that question? Shall the Nation continue the policy of government-spending? Shall we continue to feed, clothe and care for an army of unemployed which, with its dependents, numbers approximately fifty million people? How long can our social and economic order stand such a strain?

"One fact must be faced. Until these millions who are now idle are re-employed in private industry government-spending for relief purposes must continue.

"Would it not be better for all the people of our great country if the barriers which stand in the way preventing the return of the army of unemployed to profitable work in private industry were removed?

"Perhaps we cannot tell, at the moment, what constitutes all the barriers but it would seem the part of wisdom if Government, employers and workers would take such action as may be necessary in order to bring about the re-employment of the idle workers.

"A careful diagnosis of the economic situation should be made. The cause or causes which produce our economic ills should be determined and the remedy, whatever it might be, should be applied as quickly as possible."

350 ATTEND GENEVA LABOR CONFERENCE

Peoples of All Countries Demand Peace, Former President of Switzerland Tells Delegates.

By A. F. of L. Weekly News Service.

Geneva, Switzerland.—Nearly 350 delegates and advisers from 46 countries are attending the Twenty-fifth Session of the International Labor Conference, which opened in Geneva on June 8. The conference will last three weeks.

The United States delegation comprises: Assistant Secretary of Labor Charles V. McLaughlin and Carter Goodrich, U. S. Labor Commissioner in Geneva, for the Government; Henry I. Harriman, Chairman of the Board of the New England Power Association, for the Employers; and Robert J. Watt, of the American Federation of Labor, for the Workers. They are assisted by a staff of 4 Government advisers, 3 Employers' advisers, and 3 Workers' advisers.

Schulthess Elected President

Edmond Schulthess, former President of Switzerland, was elected President of the Conference.

In his opening speech, Mr. Schul-

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WOLL DECLARES LEWIS BARS PEACE IN LABOR MOVEMENT

Charges C. I. O. Head With Break-Up of the Conferences With the A. F. of L. Group and An Affront to President Roosevelt; Says It Is the Second Time Lewis Deliberately Wrecked Efforts to Restore Harmony in the Family of Labor; Asserts That C. I. O. Workers Will Now Perceive the Truth and "Turn to the American Federation of Labor, Under Whose Roof They Will Find What They Want."

By A. F. of L. Weekly News Service.

New York, N. Y.—The position of the American Federation of Labor in the negotiations with the Congress of Industrial Organizations for settling the controversy between the two groups, which were declared ended on June 14 by John L. Lewis, C. I. O. president, in a statement issued in Washington, D. C., was set forth here by Matthew Woll, vice president of the American Federation of Labor and a member of the A. F. of L. committee appointed to confer with the C. I. O. committee. The other members of the A. F. of L. committee are Daniel J. Tobin, president of the International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America; Harry C. Bates, president of the Bricklayers, Masons and Plasterers International Union of America, and T. A. Rickert, president of the United Garment Workers of America.

Mr. Woll laid the blame for failure of the peace negotiations squarely on Mr. Lewis and pointedly declared that "this is the second time he has deliberately wrecked efforts to restore peace in the family of labor." He asserted that "peace and unity in the labor movement remains the issue," but that the arrogant position of Lewis has made this objective impossible.

Woll's Statement

Mr. Woll's statement was as follows:

"The statement issued by Mr. Lewis, ostensibly in the name of the executive board of the C. I. O., blasting all hope of peace and unity in the labor movement, came as a shock to all who had hoped that the negotiations initiated by President Roosevelt would lead to a positive conclusion.

"Mr. Lewis's statement, marking an abrupt termination of the negotiations, was discourteous to the President in that the Chief Executive had requested the representatives of both the A. F. of L. and C. I. O. under no circumstances to terminate negotiations without first consulting with him. Mr. Lewis's action is, however, in keeping with his conduct in this situation on previous occasions.

Negotiations Had Not Collapsed

"Negotiations between our committees had not collapsed. At the request of President Lewis, addressed to me during his recent bituminous negotiations, when he was pressed for time in the emergency then confronting the United Mine Workers, it was unanimously agreed to recess our negotiations until such time as Mr. Lewis was ready to resume the discussion. We had every reason to believe that the negotiations would be resumed. Mr. Lewis has now seen fit to terminate them without cause.

Lewis's Peace-Wrecking Record

"This is the second time he has deliberately wrecked efforts to restore peace in the family of labor. The first occasion was in December, 1937, when committees representing the A. F. of L. and C. I. O. had reached a unanimous agreement, which was vetoed at the last moment by Mr. Lewis. At that time, too, efforts were made to becloud the issue and misrepresent the agreement that had been reached. Nevertheless, subsequent events had demonstrated that an agreement had actually been reached.

"Mr. Lewis now repeats his performance of December, 1937. In blasting the present negotiations he has swept aside the issues upon which the C. I. O. has supposedly been waging its battle with the A. F. of L.

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Labor Board's Policy Is Definitely Hostile to A. F. of L., Padway Says

Counsel of the American Federation of Labor Tells House Labor Committee the Federation No Longer Respects the Board's Administration of the Labor Relations Act; Urges Adoption of A. F. of L. Amendments to Strengthen the Measure and Prevent Further Frustration of Its Purpose by Maladministration.

By A. F. of L. Weekly News Service.

Washington, D. C.—Strong condemnation of the National Labor Relations Board for its definite and persistent policy of administering the National Labor Relations Act against the American Federation of Labor and its affiliates and in favor of the C. I. O., and equally strong insistence on the imperative necessity of enacting the amendments to the act proposed by the A. F. of L., contained in the bill introduced in the House of Representatives by Representative Barden of North Carolina, to prevent further maladministration of the measure and to strengthen its provisions safeguarding the right of the workers to organize in unions of their own choice for collective bargaining, featured the opening statement of Joseph A. Padway, counsel of the American Federation of Labor, before the House of Representatives Committee on Labor during the Committee's hearings on the Barden Bill.

Pointing out that the American Federation of Labor amendments had not been formulated until the Labor Board had manifested a definite and evidently irrevocable policy of shaping its decisions against the A. F. of L. and in favor of rival organizations, Mr. Padway declared the amendments would strengthen the protection of workers' rights set forth in the Labor Act and prevent further distortion of the Act in favor of the C. I. O.

Following is the text of Mr. Padway's opening statement to the Labor Committee:

"The present approach on the part of the American Federation of Labor toward the National Labor Relations Act is to preserve and strengthen its fundamentals. The American Federation of Labor and its affiliates see in the present administration of the Act its weakening and possible destruction.

"As pointed out by Senator Wagner the other day, the American Federation of Labor sponsored the passage of the Act. It still subscribes to the principles of the National Labor Relations Act.

"It cannot but endorse a policy which urges and protects collective bargaining and which encourages strong independent trade unionism as an instrument whereby effective collective bargaining can be obtained.

"The American Federation of Labor criticizes only those aspects of the Act and its administration which it believes frustrate its declared purpose.

"The fact that some of the objections it makes are similar to those made by opponents of organized labor is meaningless. Such criticisms reflect diametrically opposed impulses and objectives. The American Federation of Labor is opposed to, and alert to expose and condemn, any acts or projected plans which threaten to undermine the fundamental aims of the law.

Labor Act Seeks to Protect Collective Bargaining Right

"It must be made clear at the outset that the Act is primarily calculated to foster and protect collective bargaining through unions. Our National Legislature learned the obvious lesson of history—that only where labor is effectively organized can it approximate equality in bargaining with employers; only where there is such equality can freedom of contract through negotiation and compromise be secured and industrial harmony achieved.

"However, in providing legislation for the protection of labor's fundamental rights and imposing on employers the duty to recognize such rights, labor did not think it was surrendering its philosophy of 'voluntarism,' its right to regulate and conduct its own internal affairs, and to maintain or change its form and structure as it deemed wise and proper without governmental intrusion.

"It is only as a last resort, when all possible avenues of settlement have been explored and found unsatisfactory that labor seeks the aid of others. There never was, nor will there ever be, a time that labor organizations will not prefer to settle their disputes and differences by direct negotiations with the employer without resort to outside agencies, whether it be governmental or not. The strength of labor is its own strength, unadorned by outside aid.

Scope of A. F. of L. Amendments Outlined

"Although the amendments of the American Federation of Labor introduced in the Senate by Senator Walsh and in the House by Representative Barden amend the Act in several respects, they actually fall into three classifications:

"1. Amendments dealing with the appropriate unit for the purpose of collective bargaining.

"2. Amendments dealing with invalidation of contracts.

"3. Amendments dealing with procedure under the Act.

"Another amendment, which does

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Exclusion of Many Thousands From Social Security Act Hit by A. F. of L.

Definition of Agricultural Labor Adopted by House of Representatives Unjustly Bars Large Numbers From Benefits, Green Tells Senate Finance Committee; Many Workers Now Covered Are Also Excluded by New Definition of Employment, He Declares.

By A. F. of L. Weekly News Service.

Washington, D. C.—The American Federation of Labor heartily approves the amendments to the Social Security Act adopted by the House of Representatives which increases to more reasonable standards the benefits of the workers and their dependents in the provisions covering old age pensions and the extension of the coverage. The Federation also approves the amendment which requires employers to provide employes with receipts showing the wages earned and the tax collected for old age insurance.

But with regard to the amendments which exclude from old age insurance or unemployment compensation workers now entitled to these benefits, and the amendments which may be used to decrease unemployment compensation, the Federation is positively and definitely opposed.

In addition, the Federation believes that the rates of compensation for unemployment should be higher than those now prevailing, with a minimum rate of not less than $5, and opposes any reduction in the Federal three per cent tax for unemployment compensation.

These principles were emphatically presented by William Green, president of the American Federation of Labor, in a letter to Senator Pat Harrison, chairman of the Senate Finance Committee, during the hearings held by the committee on the amendments to the Social Security Act adopted by the House of Representatives, and read to the Committee by Paul Scharrenberg, A. F. of L. legislative representative.

House Amendments Approved

On the subject of House amendments approved by the A. F. of L., Mr. Green said:

"The American Federation of Labor approves those amendments to the Social Security Act, now being considered by your committee, which would operate to increase the security of workers and their families against the hazards of old age and premature death.

"Particularly, the Federation approves the extension of the old age insurance coverage to seamen formerly excluded by the act.

"We heartily support the recommendations of the Advisory Council on Social Security that coverage should be extended to employes of non-profit religious, charitable, and educational institutions, and as soon as administratively possible to farm and domestic employes, with the ultimate objective of including other excluded groups, and we urge that measures be taken to embody that recommendation in the law.

Workers Should Have Receipts

"We wish also to endorse the amendment which makes it obligatory for employers to furnish their employes with receipts showing the amount of wages and the amount of the tax imposed for old age insurance. Common honesty in handling the workers' money demands that they be supplied such receipts for amounts withheld from their pay and for which the employer is trustee until he pays the taxes due under the act. We believe that receiving such notices will help make the workers aware of their rights and will greatly foster general understanding of the act.

"No employer should object to rendering the employe an honest account of his wages and of the part withheld for the tax, in a form suitable for retention. The provision that the statement may be furnished either at the time wages are paid, or quarterly or annually makes it possible for the employer to arrange for the small amount of extra clerical work involved in furnishing such receipts at his convenience.

"In other respects the bill of amendments is definitely retrogressive."

Limited Coverage Condemned

Turning to the exclusion of thousands of workers from the benefits provided by the Social Security Act, Mr. Green declared:

"The Federation believes that no classes of persons now covered by the old age insurance or unemployment compensation laws should be excluded from coverage in the future. Not until coverage is extended to all workers can we have a satisfactory security program.

"Any changes in coverage should operate to enlarge, not to restrict coverage.

"The wholly unwarranted definition of agricultural labor would exclude thousands of workers who are engaged in labor not commonly considered 'agricultural labor,' not the ordinary work of a farm hand performed for the owner or tenant operator of a bona fide farm. It could include many occupations performed away from farms and in connection with processing of products even beyond the primary stage. There can be no justification for this new definition which would exclude many workers who have started to build up equities in the old age insurance system and who need to have their security continued.

"Similarly by new clauses in the definition of 'employment' the amendments would exclude from social security in the future many workers now covered.

"The addition of the words 'local college club, or local chapter of a college fraternity or sorority' to the exclusion of domestic service in homes is unreasonable and wholly undesirable, excluding, as it would do, many employes of commercial service companies which cater to such clubs.

"The difficulties which are urged as reason for new exclusions are minor compared with the positive injustice of narrowing the security program already undertaken.

"The Federation urges you rather to bend your best thought and effort toward making the program as broad and inclusive as is possible at this time and to refuse to withdraw the promise of security once held out to the affected classes of workers.

"Particularly because we believe all farm and domestic labor should be included as soon as possible we deplore any move to restrict still further coverage of those occupations.

Definition of Employer

"A change in definition of 'employer' was suggested by the Social Security Board in order to cover for unemployment compensation tax purposes as well as for old age insurance, employers of one or more persons. The Federation believes that as a matter of policy as well as administratively this change would be desirable. The enlarged coverage would bring security to more workers, unfair competition now existing would be checked, and the tax basis of the two laws would be more nearly the same, and so administratively simplified."

Federal Unemployment Compensation Standards Are Urged by A. F. of L.

Congress Should Fix Minimum Benefit at Not Less Than Five Dollars and a Maximum Rate of Not Less Than Fifteen Dollars, Green Tells Senate Finance Committee.

By A. F. of L. Weekly News Service.

Washington, D. C.—The altogether too small benefits paid to unemployed working men and women under most State laws were roundly condemned by William Green, president of the American Federation of Labor, in a letter sent to Senator Pat Harrison, chairman of the Senate Finance Committee, which is considering the amendments to unemployment compensation provisions of the Social Security Act passed by the House of Representatives.

Mr. Green's letter, which was read to the Committee by Paul Scharrenberg, A. F. of L. legislative representative, urged that the Act be amended by establishing definite Federal standards for unemployment compensation with which all State laws benefiting from the Federal Act must comply.

Importance of Federal Standards

On the subject of Federal standards, Mr. Green said:

"Because 'social security' is only a meaningless phrase unless reasonable benefits are paid the Federation believes the federal law should establish certain benefit standards, the adoption of which would be prerequisite to certification of State laws. The Federation believes that the standards should not be inferior to the following: a minimum benefit rate of not less than $5.00, a maximum rate of not less than $15, weekly benefits not less than half the normal weekly wage for full-time employment, a waiting period not longer than one week, benefits to be paid for not less than 16 weeks in the year, partial benefits to be paid when the weekly wage is less than the full-time benefit rate, and no disqualifications to be more severe than an additional waiting period of five weeks. If these standards were written into the laws our security system for unemployed workers would take on positive meaning.

"The savings anticipated for business in the reductions of unemployment compensation taxes are largely fictitious. Much of the tax is now passed on and so does not rest ultimately on business and cannot be 'saved' by tax reductions. The money paid in benefits is all spent by unemployed workers. The economy of larger markets demands larger, not smaller, benefit payments. Let us look to increasing benefits and there will be more profits for business.

"How can it be supposed that the

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EDITORIALS

Ingrate Lewis

(From New York Herald Tribune)

Mr. John L. Lewis has now eliminated even the very slim prospect which had existed since the coal settlement that peace negotiations between the two labor factions would be resumed. Peace, he says, is "impossible," giving as his main reason the personality of A. F. of L. leadership. Let us correct him by saying that it is impossible because of the personality of John L. Lewis and that his very reasons plus his record prove it.

A few weeks ago Mr. Matthew Woll, one of the A. F. of L. leaders cited in Lewis's indictment, made public a most revealing document. It was a report by the late Charles P. Howard, secretary of the Committee for Industrial Organization, on the labor peace parleys in the fall of 1937 and designed for the guidance of the C. I. O. delegation. In it Mr. Howard listed thirty-four great labor groups which, he said, the A. F. of L. was ready to welcome to its fold on an industrial basis. Included were most of those categories of workers which have been or are now the mainstay of the Lewis organization—the mine workers, the automobile workers, the garment workers, the steel workers, the rubber workers, the glass workers, and so on. This memorandum clearly suggests that the conferees had entirely overcome the original industrial-craft union issue, leaving for settlement only those individual adjustments between rival organizations made necessary by the growth of dual unionism. Yet Lewis snorted at the progress made and kicked the whole proceeding out of the window against the advice and wishes of some of his negotiators. Today he is simply repeating the performance with no more ground for his action than he had then. "The real reason is that he does not want peace because peace would automatically end his autocratic control over a minority group in organized labor." So says Mr. William Green, and one fears he is right.

How does the President feel about this latest manifestation of his protege's obduracy? It was the President who personally instituted the negotiations now definitely broken off. At the time the labor feud and what it was doing to industry, to the labor movement and last, but not least, to his political fortunes seemed his main concern. In the interval he has helped Lewis to a triumph over the Appalachian coal operators and, incidentally, the A. F. of L. Did he expect that Lewis, out of gratitude, would help him by helping to heal the labor breach? If so, his disappointment must be keener even than that of the rest of the country, including labor. For Lewis has done him about as poor a turn as one man can do another. Gone are his hopes of labor unity before the Presidential primaries begin next January, and greatly increased is the likelihood that the New Deal in the fall will meet in the nation the same type of defeat which it suffered last fall in Pennsylvania, Ohio and Michigan.

Permanent Production Planning For Textile Industry

The uncontrolled competitive system of production for profit, where each manufacturing concern is a free unit to produce as much goods as the management sees fit, is breaking down in a number of industries.

Just now the break down has hit the cotton goods industry. The goods already manufactured are much in excess of consumer demands, with the resulting tendency of price cutting, which inevitably reduces profits, without which capitalist industry cannot long function.

Confronted with this emergency, there is a concerted effort among those who control cotton mills to reach an agreement by which the output of the industry will be drastically curtailed.

John A. Law, president of Saxon and Chesnee Cotton Mills, expressed the views of the leaders of the industry in an interview with the representative of the New York Journal of Commerce at Spartanburg, S. C.

"Realizing the absolute necessity of balancing production with consumption," Mr. Law said, "it is the intention of Saxon Mills to cooperate, both at their Saxon and Chesnee plants, in the plan recommended by the committee, of which J. E. Sirrine is chairman, and to put into effect, as soon as the delivery of outstanding orders will permit, a 25 per cent reduced schedule of operation.

"My feeling is that the important phase of this whole movement is, or at least should be, the setting up of a plan of permanent production adjustment to market demand, just as is done in the automobile, steel and other large industries, as in the long run this will insure more permanent employment for operatives, and, in my judgment, is necessary to the continued existence of the industry, as losses taken in recent years by the mill are, if continued, bound to bring disaster."

Of course this 25 per cent curtailment of production means a curtailment of hours and earnings for cotton mill employes. Therefore, while the slash in output is to be applied by the mill owners to protect their profits, it automatically results in lowered living standards for the operatives and their dependents.

Under a just economic system, operated in the social interest, the earnings of the mill workers, and consequently the living standards of the mill workers and their families, would be of primary importance. If there is to be a planned system of production for the cotton industry, consideration should undoubtedly be given to reasonable living standards for those who do the useful work and output adjusted to consumers requirements without slashing either the wages or earnings of the workers, with reasonable profits for the owners proceeding from this arrangement.

Jobs Slaughtered by Machinery

Concrete and indisputable evidence of the terrific slaughter of the right to work brought about by the installation of labor-displacing machinery in the textile industry was given by William A. Moorhead of the Joanna Cotton Mills, Goldville, S. C., in his testimony before Elmer F. Andrews, Administrator of the Fair Labor Standards Act of 1938, supporting the recommendation of the Textile Industry Committee for the establishment of a 32½ cent an hour minimum wage schedule for the cotton, silk, rayon and linen branches of the industry in place of the present blanket minimum of 25 cents per hour.

Breaking completely with the hitherto united front of Southern manufacturers in opposition to the proposed minimum, Mr. Moorhead emphasized the impossibility of having 48 uniform wage laws in 48 States and declared that the Federal Government is a proper referee for wage rates.

In answer to the objection that the 32½ cent rate would operate against the weak marginal mills, Mr. Moorhead said "they had better roll up their sleeves and go to work." In this connection he emphasized the advantages, from the employers' position, of the "technological displacement of labor by the machine," which he declared would continue unaffected by the Fair Labor Standards Act.

Holding that "efficient management is on the lookout for efficient means of running business," he gave the following specific information regarding the displacement of labor by machinery in his own mills:

"In the matter of machines, during the 32 years I have been in the textile business in Goldville, there has been introduced one machine manned by two boys. This machine does the work of what normally took forty girls to do. We have two of these machines running two shifts. There are eight boys who have displaced approximately 200 girls.

"In addition to that, we have a battery of five automatic spools, two girls to the shift, two shifts. Those girls are doing the work of approximately 200 girls. That goes all the way down from the manufacturing plant in a more or less degree.

"I just mention this—that my philosophy on this wage and hour business is that we are on a perfectly sound principle to be having a central control of this question."

France Fights New Zealand Labor's Buy-at-Home Policy

The difficulties encountered by organized labor in operating a government for the benefit of working men and women are revealed in the recent experience of the government of New Zealand, which is controlled by the New Zealand trade union movement.

Confronted with a considerable number of unemployed coupled with large imports of foreign goods which were capable of being produced at home, the New Zealand government raised the import duties on foreign produced goods in order to stimulate domestic production with the accompanying employment of New Zealand labor.

Some of these higher tariff duties hit French goods. Now the French government announces that, in retaliation, it is going to clap a surtax on all New Zeaalnd's exports to France except wool.

Backed as it is by the entire organized labor movement, observers predict that the New Zealand government will continue its policy of monopolizing as far as possible the New Zealand market for the products of New Zealand workers.

MORE JOBS IN INDUSTRY IN 1937 THAN IN 1929

Washington, D. C. (AFLWNS).—A few thousand more working men and women were gainfully employed in factories, publishing establishments and printing plants in the United States in 1937 than in 1929, Secretary of Commerce Harry L. Hopkins revealed in a report made public here.

In 1937 the average number of wage earners in American industrial establishments was 8,569,231, the Secretary said, compared with 8,380,536 reported for 1929.

The reports for the two years are, however, unsatisfactory because both part time and full time employes were included in the total. It was pointed out that no figures are available which show the number of part time and full time workers in either year.

DOCKMEN HIT I. C. C. CONTROL OF WATERWAYS

Washington, D. C. (AFLWNS).—Opposition to legislative proposals to place regulation of water carriers in the hands of the Interstate Commerce Commission and support of the Bland Bill which would maintain authority of the U. S. Maritime Commission over water commerce and provide for coordination of activities of the two government regulatory agencies was expressed by Louis Zigler, representing the International Longshoremen's Association, A. F. of L. affiliate, at the hearings before the Merchant Marine Committee on the Bland Bill.

Mr. Zigler insisted that regulation of water carriers must not be vested in the I. C. C. because that agency does not understand the industry and would discriminate against it in favor of the railroads.

350 ATTEND GENEVA LABOR CONFERENCE

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thess recalled that it was Switzerland which, fifty years ago, sent out the first invitation to an International Labor Conference. He also stressed the loyal collaboration of his country in the work of the International Labor Organization, and outlined the work being done in Switzerland to improve social conditions.

"In the course of the past year, as in the previous year," he said, "there was no labor dispute of any importance. At this time when her way of life, her characteristics and her achievements are finding expression in a national exhibition which you will visit at our invitation, Switzerland sets an example of social peace and unity which does equal credit to employers and workers and confers benefits on the country and the people."

Mr. Schulthess pointed out that, important as are the problems the International Labor Conference will discuss this year, they are overshadowed by the great political conflict which divides Europe and threatens the peace of the world.

Peace Is World Hope

"The peoples of the world—and this should be made quite clear here," he said, "want peace and expect their governments to do all they can to maintain peace, as they have all promised to do without exception. Should, however, this confident hope not be fulfilled, we can only approve of the decision which the Governing Body of the International Labor Organization has taken at this critical time, with the approval of the employers' and workers' representatives, to give the director full powers to take all the necessary measures to ensure that even in the event of an armed conflict the work of the organization will be continued in Geneva.

"That decision has met with the approval of a number of governments and they can count on the support of Switzerland. Only by such means can the center of an activity be maintained which may have occasion to render outstanding and much needed service by promoting agreement in economic and humanitarian matters."

At the close of the opening session, Charles V. McLaughlin was nominated Vice Chairman of the Government Group of the Conference, and Carter Goodrich as its Secretary.

The Conference is to discuss later the report of the director on the activities of the organization. This year's report will be the first presented by the new American director, John G. Winant, former Chairman of the Social Security Board.

RAILROAD TRAINMEN HIT BY CALIFORNIA LABOR

State Federation Upholds Jurisdiction of A. F. of L. Affiliate Over Greyhound Bus Drivers.

By A. F. of L. Weekly News Service.

San Francisco, Calif.—Condemnation of the Brotherhood of Railroad Trainmen for attempting to invade the jurisdiction of the Amalgamated Association of Street and Electric Railways and Motor Coach Employees of America and promote a minority strike of Greyhound bus drivers in California was voted by the Executive Council of the California State Federation of Labor.

In announcing the action of the executive council, which was taken after an appeal had been received from O. A. Rowan, western executive board member of the Amalgamated, Edward D. Vandeleur, secretary of the Federation, said:

"Jurisdiction over bus drivers has been awarded by the American Federation of Labor to the Amalgamated, and we are in duty bound to support the claim of the Amalgamated for jurisdiction.

"Records show that the Trainmen have enlisted a minority of the bus drivers, and we know they are merely endeavoring to promote a jurisdictional fight with another A. F. of L. group, which already legally has jurisdiction over these workers, for selfish reasons.

"The Amalgamated have a majority of the drivers, and the support of the American Federation of Labor by legitimate award of jurisdiction, and therefore the California State Federation of Labor must support such award.

"We regret the efforts of the Trainmen in attempting to provoke an unnecessary dispute, and therefore, in view of the facts, the Executive Council has gone on record in support of the claims of the Amalgamated."

WPA WORKERS MOSTLY YOUNG OR MIDDLE-AGED

By A. F. of L. Weekly News Service.

The somewhat prevalent belief that the millions of unemployed largely consist of elderly working men and women is completely refuted by the recent report on the "Age of WPA Workers," issued by the Works Progress Administration Division of Social Research.

Based on an age census of the one and one-half million jobless employed on WPA projects in November, 1937, taken in connection with the National Unemployment Census of that year, the report gives the following summary of the age status of the WPA workers:

"The average (median) age of WPA workers in November 1937 was 42.2 years. Of the 1½ million persons employed on WPA in that month, 48 per cent were between 25 and 44 years of age; 9 per cent were less than 25 years old; and 43 per cent were 45 years or older, but more than half of this group was between 45 and 54 years. Workers 65 years or older accounted for less than 3 per cent of the total."

Breaking down these 1½ million jobless persons by a per cent distribution into age groups the report gave the following enlightening statistics:

Nine and one-tenth per cent of the WPA workers ranged from 16 to 24 years of age; 22.6 per cent ranged from 25 to 34 years; 25.3 per cent ranged from 35 to 44 years; 24 per cent ranged from 45 to 54 years; 16.1 per cent ranged from 55 to 64 years; 2.9 per cent were 65 years of age and over.

Public Education Committee Formed By Green to Attend World Congress

Matthew Woll Named Chairman of Labor Group to Consider "Education for Democracy" at International Conference in New York, August 15-17; "Organized Labor Must Take an Active Part in the Preservation of the Democratic Form of Government, Which Finds Itself Threatened by the Spread of Alien Doctrines," A. F. of L. President Declares.

By A. F. of L. Weekly News Service.

Washington, D. C.—William Green, president of the American Federation of Labor, announced the formation of a Committee on Public Education to present the views of the Federation on educational problems at the World Congress on Education for Democracy to be held in New York in August.

Members of the Committee, along with delegates from similar committees formed by more than twenty-seven other national organizations, will meet with a national committee of educators at the Congress to discuss the problems of educating for citizenship in Democracy.

Mr. Green appointed Matthew Woll, vice-president of the American Federation of Labor, as chairman of the American Federation of Labor Committee, which was formed at the invitation of the officers of the Congress of which Dr. Nicholas Murray Butler, president of Columbia University, is honorary chairman, Dean William Fletcher Russell of Teachers College, chairman, and Winthrop W. Aldrich, vice-chairman. The Congress is to be held at Teachers College on August 15, 16 and 17.

In announcing the participation of the American Federation of Labor Mr. Green said:

"Organized labor must take an active part in the preservation of the democratic form of government, which finds itself threatened by the spread of alien doctrines. Our best protection lies in an increasingly widespread understanding of the true principles of democracy. One way to assist in securing this understanding is for responsible citizens to take a very real interest in their public school system.

"The American Federation of Labor has always been a friend of public education and hence it welcomes Dean Russell's invitation to form an official Committee on Public Education for the purpose of cooperating with the distinguished group of educators which Dean Russell has appointed as a national committee to work with other organizations."

Committee Members

The members of the American Federation of Labor's committee on education are: Frank Duffy, secretary-treasurer, United Brotherhood of Carpenters and Joiners of America, Indianapolis; T. A. Rickert, president, United Garment Workers of America, New York City; John Coefield, president, United Association of Plumbers and Steam Fitters, Washington, D. C.; Arthur O. Wharton, president, International Association of Machinists, Washington, D. C.; Joseph N. Weber, president, American Federation of Musicians, New York City; G. M. Bugniazet, secretary, International Brotherhood of Electrical Workers, Washington, D. C.; George M. Harrison, president, Brotherhood of Railway Clerks, Cincinnati; Daniel J. Tobin, president, International Brotherhood of Teamsters, Indianapolis.

Also W. D. Mahon, president, Amalgamated Association of Street Railway Employes, Detroit; Felix H. Knight, president, Brotherhood of Railway Carmen, Kansas City, Mo.; George E. Browne, president, International Alliance of Stage Employes, New York City; Edward Flore, president, Hotel and Restaurant Employes International Alliance, Buffalo; William C. Birthright, president, Journeymen Barbers International Union, Indianapolis; Leo E. George, president, National Federation of Post Office Clerks, Washington, D. C.; Daniel W. Tracy, president, International Brotherhood of Electrical Workers, Washington, D. C.; E. J. Volz, president, International Photo-Engravers Union, New York City; James Maloney, president, Glass Bottle Blowers Association, Philadelphia.

Also Harry C. Bates, president, International Union of Bricklayers, Washington, D. C.; Edward J. Gainor, president, National Association of Letter Carriers, Washington, D. C.; Wm. J. McSorley, president, International Union of Wood, Wire & Metal Lathers, Cleveland; Joseph P. Ryan, president, International Longshoremen's Association, New York City; E. C. Davison, secretary-treasurer, International Association of Machinists, Washington, D. C.; Elmer E. Milliman, secretary-treasurer, Brotherhood of Maintenance of Way Employes, Detroit; Patrick Gorman, president, Amalgamated Meat Cutters & Butcher Workmen, Chicago; Harry Stevenson, president, International Molders' Union, Cincinnati; Clarence E. Swick, secretary-treasurer, Brotherhood of Painters and Decorators, Lafayette, Indiana; J. N. Davis, assistant to the president, International Brotherhood of Boiler Makers, Kansas City, Kan.; M. J. Colleran, president, Operative Plasterers International Association, New York City.

Also M. J. Gillooley, president, American Flint Glass Workers Union, Toledo; Max Zaritsky, president, United Hatters, Cap and Millinery Workers International Union, New York City; Frank Burch, secretary, Philadelphia Central Labor Union, Philadelphia; James A. Taylor, president, Washington State Federation of Labor, Seattle; John Reid, secretary, Michigan State Federation of Labor, Lansing; George W. Lawson, secretary, Minnesota State Federation of Labor, St. Paul; Louis Marciante, president, New Jersey State Federation of Labor, Trenton; George Meany, president, New York State Federation of Labor, New York City; Thomas J. Donnelly, secretary, Ohio State Federation of Labor, Columbus; Henry Ohl, president, Wisconsin State Federation of Labor, Milwaukee; George L. Googe, general organizer for A. F. of L., Atlanta, Georgia.

Also Thomas E. Burke, secretary-treasurer, United Association of Plumbers and Steam Fitters, Washington, D. C.; James M. Duffy, president, National Brotherhood of Operative Potters, East Liverpool, Ohio; Major George L. Berry, president, International Printing Pressmen's Union, Pressmen's Home, Tennessee; Irvin Kuenzli, secretary, American Federation of Teachers, Chicago; Claude M. Baker, president, International Typographical Union, Indianapolis; Bert M. Jewell, president, Railroad Employes' Department, American Federation of Labor, Chicago, Ill.; Victor A. Olander, secretary, Illinois State Federation of Labor, Chicago; John Egan, secretary, Connecticut State Federation of Labor, Bridgeport; Spencer Miller, Jr., director, Workers Education Bureau, New York City; Warner Curry, general organizer, A. F. of L., Philadelphia.

Also J. W. Buzzell, secretary, Los Angeles County Central Labor Council, Los Angeles; David Dubinsky, president, International Ladies' Garment Workers' Union, New York City; John P. Burke, president, International Brotherhood of Pulp, Sulphite & Paper Mill Workers, Fort Edward, New York; Dewey L. Johnson, Atlanta Federation of Trades, Atlanta; John P. Frey, president, Metal Trades Department, American Federation of Labor, Washington, D. C.; I. M. Ornburn, secretary-treasurer, Union Label Trades Department, American Federation of Labor, Washington, D. C.; Edward D. Vandeleur, secretary, California State Federation of Labor, San Francisco; Kenneth I. Taylor, secretary, Massachusetts State Federation of Labor, Boston, and Ed. McMorrow, Amalgamated Association of Street Railway Employes, Detroit.

WOLL DECLARES LEWIS BARS PEACE IN LABOR MOVEMENT

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and reveals that these issues were widely fictitious.

Spreads Confusion

"Concealing the very substantial concessions made by our committees on questions of jurisdiction and so-called craft versus industrial unionism, and other problems raised during the discussions of the past three years and more, Mr. Lewis now falls back upon statements that have no basis in fact and upon irrelevancies.

"He seeks again to sow confusion by attacking the leaders of the A. F. of L. who enjoy the confidence of the millions of its members.

Lewis's Rule-or-Ruin Policy

"As to who is pursuing a rule-or-ruin policy, is only too clear from Mr. Lewis's conduct. Mr. Lewis now says that it is to be a 'fight to a finish.' This certainly will be a grievous disappointment to the millions of workers in both A. F. of L. and C. I. O. who have been hoping and praying for peace. It will certainly be a disappointment to the general public of progressive and socially minded citizens.

"Mr. Lewis now says that peace is 'secondary' to him, that the primary purpose of the C. I. O. is the organization of the unorganized and the building of what he terms a progressive labor movement. Without arguing about the definition of 'progressive,' it may be asked how the interests of the labor movement can possibly be conserved and promoted without peace and unity.

"Peace and unity in the labor movement remains the issue. The workers in the American Federation of Labor will now see more clearly than ever who has made attainment of this objective impossible. The workers in the C. I. O. will now, likewise, perceive the truth, and unable to obtain peace and unity through the C. I. O., will turn to the American Federation of Labor, under whose roof they will find what they want."

Federal Unemployment Compensation Standards Are Urged by A. F. of L.

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nation's economy will profit by pensions to the aged and not by adequate benefits to unemployed workers? The families of the latter, if receiving reasonable payments over the necessary periods of time, will be good customers with every cent they receive.

"If any State has excessive unspent reserves let it raise its benefits above the minimum standards we ask for certification of all State laws. The gain to the community and to business will far outweigh that to be derived from tax reductions.

"The social security program was enacted to bring some security to workers who are in no position to achieve it individually. It should not be emasculated by tax reductions, either for individual employers or for States, while benefits are admittedly so far from adequate.

"The Federation urges this Committee to strengthen the social security program by recommending the establishment of federal standards for unemployment compensation benefit payments as a condition of certification of State laws, by refusing to approve the new exclusions from coverage, by supporting the liberalization of the program in those amendments affecting old age insurance, and by providing for the extension of the program to uncovered groups as rapidly as possible, beginning now with defining the term 'employer' for unemployment compensation tax purposes, as it is for old age insurance—employer of one or more persons."

Labor Board's Policy Is Definitely Hostile to A. F. of L., Padway Says

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not really come within the three subjects mentioned, deals with the abolition of the present Board and the creation of a new Board consisting of five members and called the Federal Labor Board. I shall discuss the last mentioned amendment first.

A. F. of L. Has Lost Faith In the Labor Board

"The American Federation of Labor has lost faith in the present Board. The basis of such loss of faith is summed up in the report of the Executive Council of the American Federation of Labor unanimously adopted by the 58th Annual Convention at Houston, Texas, last October.

"Action having been taken by the American Federation of Labor in convention, it became unnecessary for the individual State Federations of Labor, International Unions, and Central Bodies to take separate action.

"Yet, from time to time some affiliates, smarting under the administration of the Act by the Board, have emphasized the action taken by the convention in making independent protest against the Board.

Condemned by Many State Federations of Labor

"For instance, the New York State Federation of Labor, at its 75th Annual Convention at Buffalo, New York, in the month of August, 1938, by an overwhelming vote adopted a resolution which, among other things, contained the following:

"'WHEREAS, In certain sections it is common knowledge that regional directors of the National Labor Relations Board have misused their positions of trust to show constant favoritism to the C. I. O. and consistent prejudice against the American Federatio nof Labor; therefore

"'BE IT RESOLVED, That this, the Seventy-fifth Annual Convention of the New York State Federation of Labor, expresses its indignation that the National Labor Relations Act, in operation, has been perverted so as to have results for real American labor which run directly counter to the high purpose of the legislation; and

"'BE IT FURTHER RESOLVED, That this Convention of the New York State Federation of Labor roundly condemns the present administration of the National Labor Relations Board, and proclaims itself thoroughly in harmony with the attitude of the Executive Council of the American Federation of Labor on this subject.'

"The Illinois State Federation of Labor, the Indiana State Federation of Labor, the Massachusetts State Federation of Labor, the Oregon State Federation of Labor, the Washington State Federation of Labor, the Legislative Committee of the Wisconsin State Federation of Labor, the Annual Convention of the Metal Trades Department of the American Federation of Labor, as well as the State Federations of California, Louisiana and Alabama, have registered resentment against the Board.

Board's Administration of Labor Act Is Not Respected by A. F. of L.

"I present the foregoing to this Committee to establish one outstanding fact. That is, that the American Federation of Labor and its affiliates have no confidence in many of the Board's agencies and personnel, and no longer respect the administration of the Act by this Board. Whatever the reasons are, that situation being a fact, it seems to me that this Board cannot function effectively. Moreover, we will show that the prejudice and bias of the Board against the American Federation of Labor and its affiliates and in favor of its rivals has brought about this loss of confidence and lack of respect."

MOST PHYSICIANS HAVE LOW INCOMES

42,600 Reported Net Annual Earnings of Less Than $2,500 in 1929; Doctors Who Look After Health of the Wealthy Fare Better Than Those Whose Patients Are Workers and Their Dependents.

By A. F. of L. Weekly News Service.

Editor's Note.—This is the fourth of a series of six articles on "The Wage Earner's Stake in Health," sponsored by the Educational Service of the Workers Education Bureau of America, 1440 Broadway, New York, N. Y. The articles have been carefully scrutinized by Dr. Michael M. Davis, Chairman of the Committee on Research in Medical Economics, for their accuracy.

By CONSTANCE KENT

The average physician, according to a study by the Committee on the Costs of Medical Care, sent out bills in 1929 amounting to $11,200. He collected $9,020; paid out $3,716 for overhead and professional expenses; had a net income left of $5,304. That is, for every dollar's worth of his services which he sold, he received for his own personal use 48 cents.

So far, so good. A net income of $5,304 a year is a living wage, even for persons who have to spend seven to ten years getting ready to earn it and several more years waiting for the public to find out that they are ready. The joker in the medical-income pack is not the average income. It is the remarkably large number of physicians who never get within signalling distance of the average income. The big majority of doctors are in about the same fix as the big majority of citizens of Dearborn, Michigan. The average income of the people of that town is fine because the Ford family lives there.

Thousands Are Underpaid

Half of the 145,000 physicians in the country in 1929 (the $5,304-average year) had net incomes under $3,800. Thirty of every hundred had less than $2,500. Fifteen in every hundred had less than $1,500. The average income of physicians in 1929 was higher than that of dentists or teachers in colleges, but there was a larger proportion of physicians who earned low incomes (under $2,000) than there was among dentists, college teachers, mechanical engineers and professional and scientific workers in government service.

The prosperous group was correspondingly small. Among private practitioners, 5 per cent got nearly 25 per cent of the entire net income. Less than one-fifth of all physicians got half of the total net income received by all physicians put together. Fifty per cent of all physicians got less than one-fifth of the entire income of their profession.

Hit by Depression

Physicians' incomes fell off, of course, during the depression. From $5,304 in 1929, the average net income dropped, according to a United States Commerce Department Survey, to $3,088 in 1933. This was the low year. By 1936, it had climbed back to $4,484. In California, one of our comparatively wealthy States, one-third of all physicians in 1933 had a net income of less than $2,000 and half had less than $2,700.

Salaried physicians' incomes have been more even-tempered. Few salaried physicians have high incomes, the majority have modest but stable incomes, and a much smaller proportion receive low incomes than was the case among general practitioners in private practice in 1929.

A physician has to live and raise a family on a professional man's standard, and to do this with less than $2,500 a year means hard going.

Rural Doctors Have Small Incomes

Who were the 42,500 physicians who in 1929 earned net incomes of less than $2,500? Of course, a certain proportion were young physicians just getting under way. But a considerable number were mature men. Many were doctors in rural areas. In fact, half of all the physicians who were practicing in farming communities in 1929 had net incomes under $2,500.

Most of the low-income physicians, wherever they lived, were general practitioners, for there is a sharp contrast between the finances of general practitioners and specialists. The net income of general practitioners in 1929 averaged only $3,900, whereas doctors who were specializing had an average net income of $10,000.

Many Bills Are Not Paid

A doctor generally feels that he earns all he gets, but he knows that he never gets all he earns. On the average, physicians collect only 80 per cent of the bills they send their patients. And the average doesn't tell the sad part of the story, because the doctors with highest incomes show the highest percentage of collections, while, unfortunately, those physicians who have the greatest need to be good collectors show the poorest results. In 1929, physicians who earned $15,000 and over collected 89 per cent of their bills; whereas those who earned small incomes collected only about 50 per cent.

This means that it is easier to collect if you are working for the well-to-do than for the poor. In towns of less than 5,000 population, physicians collected only 78.5 per cent of their bills. Physicians in cities of 1,000,000 or more population collected 86 per cent. This does not mean, of course, that rural patients are "slackers." It means that there is less money available for medical care in many rural districts.

The "white man's burden," for the majority of physicians, is three-fold. First, high overhead (40 cents of every dollar collected). Second, poor collections—(approximately 20 cents on every dollar billed must be charged to "loss"). Third, "free care," which the fine traditions of the medical profession call upon the physician to give.

Physicians Render Public Service

The physician, like the skilled wage-earner, has only time and skill to sell. Unlike a mechanic, however, he is assumed by the public to have time and skill to give away. This difference in the public's attitude is unfair to the physician, but is easily understood. For the medical profession is not a business. It is by tradition and by the practice of the great majority of its members, a public service. And people who cannot pay for mechanics can generally contrive to get along. But sick people who cannot get a physician's care may die.

ELECTRICAL WORKERS SIGN UP HOSPITAL CONTRACTOR

Fayetteville, N. C. (AFLWNS).—Representatives of the International Brotherhood of Electrical Workers, affiliated with the American Federation of Labor, announced the negotiation of an agreement with the Ginn Electric Company of Cincinati, Ohio, providing that the electrical work on the new Veterans' Hospital here for which the company has the contract will be 100 per cent union.